



ATTORNEY GENERAL OF TEXAS
GREG ABBOTT

February 23, 2009

Delivered Via Certified Mail & Electronic Mail

Stephen Roberts
Superior Air Parts, Inc.
c/o Strasburger & Price, LLP
600 Congress, # 1600
Austin, TX 78701

Re: Proposed Sale of Superior Air Parts, Inc.

Dear Mr. Roberts:

As you are aware, the Office of the Attorney General is investigating the possibility of a reduction in competition in the market for replacement parts for piston-driven, general aviation engines in the State of Texas due to the proposed sale of Superior Air Parts, Inc. ("Superior"). The proposed sale of substantially all of Superior's assets to either Avco Corporation or Teledyne Technologies, Inc. poses serious concerns that sections 15.05 (a) and/or (d) of the Texas Free Enterprise and Antitrust Act of 1983 may be violated. TEX. BUS. & COM. CODE § 15.01 *et seq.*

Due to the complex nature of the issues and our concerns about significant competitive harm, we expect that our investigation will continue into next month. In order to complete our due diligence review we will send additional information requests in the form of Civil Investigative Demands or otherwise to obtain documentary material or sworn statements from persons with relevant knowledge. Please consider this our request to preserve documents. If our investigation reveals that the sale of Superior's assets results in the buyer acquiring market power in the relevant market we reserve our rights to take appropriate legal action in a court of competent jurisdiction.


With regard to the respective Asset Purchase Agreements of Avco Corporation or Teledyne Technologies, Inc., we question the necessity and propriety of requesting findings from the court related to the "failing firm" defense as set forth in the Department of Justice Horizontal Merger Guidelines and as reiterated in section 4.2 (a)(v)(9)-(12) of the Asset Purchase Agreements. Should the bankruptcy court approve the sale of Superior's assets, we request a copy of the order entered by the court.

If you have questions about procedural aspects of our investigation or our abovementioned requests, please let me know.

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Sincerely yours,



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cc: Avco Corp.; c/o Richard C. Weisberg; 33 Derwen Road, Bala Cynwyd, PA 19004
Teledyne Technologies, Inc.; c/o Robin Phelan; Haynes and Boone, LLP; 2323 Victory
Avenue, Suite 700, Dallas, TX 75219
Aviation Parts Supply, Inc.; c/o Jerry Beane; Andrews & Kurth; 1717 Main Street, Suite
3700, Dallas, TX 75201